

Media Release

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Tabcorp withdraws from Singapore Integrated Resort project

Tabcorp today announced that it is withdrawing from the bidding process for Singapore's Marina Bay Integrated Resort.

The decision follows the release of the Singapore Government's Request for Proposal (RFP) on 15 November and a review by the company of the long-term strategic opportunities available for the Tabcorp group.

Managing Director and Chief Executive Officer Matthew Slatter said: "The development costs of the Integrated Resort project have risen significantly since our initial expression of interest in February this year. Taking into account the increased development costs, the risks, potential returns and timelines, it is the right decision for the company and our shareholders to withdraw from the Singapore Integrated Resort process.

"While the Integrated Resort is a great opportunity for Singapore and we had an exciting concept, too many things would have to go right for the project to achieve our targeted returns."

Mr Slatter said we are now seeing the progressive relaxing of restrictions on gambling in a number of markets around the world and this will present a number of opportunities for Tabcorp.

"Our strategic growth would have been constrained by the project that would not have been completely operational and delivering full revenues until 2010."

Mr Slatter praised the dedicated team that had been working on the Singapore project for their enthusiasm, commitment and creativity in the proposal and planning stages. "The company has acquired enormous knowledge during this process that will be used to pursue other international opportunities in the future."

Mr Slatter said the company's newly created division to pursue off-shore activities, Tabcorp International, was progressing well with business opportunities that were a sound strategic fit for Tabcorp. "We are focused on investigating and pursuing international opportunities that allow us to build on the successful business model that we have created here in Australia.

"These efforts are directed at specific markets with growth potential that when coupled with our operational expertise, will deliver sustainable long-term value for shareholders," Mr Slatter said.

Tabcorp praised the Singapore Government for the highly professional approach that had been taken towards developing an Integrated Resort and wished the Government and its agencies every success in their efforts to attract new regional and international visitors through an iconic, world-class entertainment resort.

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